

# COMMITTEE REPORT

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## MADAM PRESIDENT:

The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 448, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1       Page 1, delete lines 1 through 17, begin a new paragraph and insert:  
2       "SECTION 1. IC 6-1.1-10-44 IS ADDED TO THE INDIANA  
3       CODE AS A NEW SECTION TO READ AS FOLLOWS  
4       [EFFECTIVE JULY 1, 2009]: Sec. 44. (a) As used in this section,  
5       "designating body" means:  
6               (1) in the case of a county, the fiscal body of the county; or  
7               (2) in the case of a municipality located in a county that does  
8               not contain a consolidated city, the fiscal body of the  
9               municipality.  
10       (b) As used in this section, "eligible business" means an entity  
11       that meets the following requirements:  
12               (1) The entity is engaged in a business that operates one (1) or  
13               more facilities dedicated to computing, networking, or data  
14               storage activities.  
15               (2) The entity is located in a facility or data center in Indiana  
16               that contains in the aggregate at least ten million dollars  
17               (\$10,000,000) in:  
18                       (A) personal property investment; and  
19                       (B) real property investment;  
20       that is made after June 30, 2009.  
21       (3) The average employee wage of the entity is at least one

1           hundred twenty-five percent (125%) of the county average  
2           wage for each county in which the entity conducts business  
3           operations.

4           (c) As used in this section, "enterprise information technology  
5           equipment" means the following:

6           (1) Hardware supporting computing, networking, or data  
7           storage function, including servers and routers.

8           (2) Networking systems having an industry designation as  
9           equipment within the "enterprise" or "data center" class of  
10          networking systems that support the computing, networking,  
11          or data storage functions.

12          (3) Generators and other equipment used to ensure an  
13          uninterrupted power supply to equipment described in  
14          subdivision (1) or (2).

15          The term does not include computer hardware designed for single  
16          user, workstation, or departmental level use.

17          (d) As used in this section, "fiscal body" has the meaning set  
18          forth in IC 36-1-2-6.

19          (e) As used in this section, "municipality" has the meaning set  
20          forth in IC 36-1-2-11.

21          (f) Before adopting a final resolution under subsection (g) to  
22          provide a property tax exemption, a designating body must first  
23          adopt a declaratory resolution provisionally specifying that  
24          enterprise information technology equipment owned by a  
25          particular eligible business is exempt from property taxation. The  
26          designating body shall file a declaratory resolution adopted under  
27          this subsection with the county assessor. After a designating body  
28          adopts a declaratory resolution specifying that enterprise  
29          information technology equipment owned by a particular eligible  
30          business is exempt from property taxation, the designating body  
31          shall publish notice of the adoption and the substance of the  
32          declaratory resolution in accordance with IC 5-3-1 and file a copy  
33          of the notice and the declaratory resolution with each taxing unit  
34          in the county. The notice must specify a date when the designating  
35          body will receive and hear all remonstrances and objections from  
36          interested persons. The designating body shall file the notice and  
37          the declaratory resolution with the officers of the taxing units who  
38          are authorized to fix budgets, tax rates, and tax levies under  
39          IC 6-1.1-17-5 at least ten (10) days before the date for the public  
40          hearing. After the designating body considers the testimony  
41          presented at the public hearing, the designating body may adopt a  
42          second and final resolution under subsection (g). The second and

1 final resolution under subsection (g) may modify, confirm, or  
 2 rescind the declaratory resolution.

3 (g) Before January 1, 2013, a designating body may after  
 4 following the procedures of subsection (f) adopt a final resolution  
 5 providing that enterprise information technology equipment  
 6 owned by a particular eligible business is exempt from property  
 7 taxation. In the case of a designating body that is a county fiscal  
 8 body, the exemption applies only to enterprise information  
 9 technology equipment that is located in unincorporated territory  
 10 of the county. In the case of a designating body that is a municipal  
 11 fiscal body, the exemption applies only to enterprise information  
 12 technology equipment that is located in the municipality. The  
 13 property tax exemption applies to the enterprise information  
 14 technology equipment only if the designating body and the eligible  
 15 business enter into an agreement concerning the property tax  
 16 exemption. The agreement must specify the duration of the  
 17 property tax exemption. The agreement may specify that if the  
 18 ownership of enterprise information technology equipment is  
 19 transferred by an eligible business, the transferee is entitled to the  
 20 property tax exemption on the same terms as the transferor. If a  
 21 designating body adopts a final resolution under this subsection  
 22 and enters into an agreement with an eligible business, the  
 23 enterprise information technology equipment owned by the eligible  
 24 business is exempt from property taxation as provided in the  
 25 resolution and the agreement.

26 (h) If a designating body adopts a final resolution and enters  
 27 into an agreement under subsection (g) to provide a property tax  
 28 exemption, the property tax exemption continues for the period  
 29 specified in the agreement, notwithstanding the January 1, 2013,  
 30 deadline to adopt a final resolution under subsection (g)."

31 Delete page 2.

(Reference is to SB 448 as introduced.)

**and when so amended that said bill do pass .**

Committee Vote: Yeas 12, Nays 0.

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**Senator Hershman, Chairperson**